



# Sales and Use Tax on Veterinarians and Veterinary Clinics

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## Definitions

**Livestock** – includes all animals of the equine, bovine, or swine class, including goats, sheep, mules, horses, cattle, ratites, and other grazing animals raised for commercial purposes. The term “livestock” also includes fish raised for commercial purposes.

**Medicine** – means a preparation or substance for use in the cure, alleviation, mitigation, treatment, or prevention of illness.

**Poultry** – includes all domesticated birds that serve as a source of food, eggs, or meat.

**Practitioners of the healing arts** – includes veterinarians.

**Prescription** – includes any order for drugs or medicinal products and supplies, written or communicated by a licensed practitioner authorized to prescribe medicinal drugs.

## Sales Tax Liability

Sales tax applies to the sale, rental, or lease of goods (tangible personal property) and certain services in Florida unless the transaction is exempt. The sales tax and discretionary sales surtax are added to the price of taxable goods or services and collected from the purchaser at the time of sale. Veterinarians and veterinary clinics who sell taxable items must register as sales and use tax dealers to collect and pay sales tax (see “Registering to Collect Sales Tax”).

The sale of non-prescription food for dogs, cats, birds, fish, circus animals, and zoo animals is taxable. Pet products such as chains, collars, cages, soaps, and detergents are taxable.

Sales tax and discretionary sales surtax are also due when a veterinarian or veterinary clinic rents or leases commercial property.

## Use Tax Liability

Use tax complements and is similar to sales tax. The use tax and sales tax rates are the same, including discretionary sales surtax (county tax), if applicable. Use tax and surtax apply when items are purchased without paying tax to the supplier and then used in the business or for a taxable purpose. It also applies to taxable goods and services brought into Florida untaxed, or taxed at a rate less than the sales tax rate. Items that are exempt from sales tax are also exempt from use tax.

**Taxable purchases** – Use tax and surtax apply to taxable supplies or items purchased tax-exempt and then used by veterinarians and veterinary clinics in providing their professional services. Some examples of common taxable items used by veterinarians are: rabies tags, identification chips, rubber gloves, disposable medical restraint collars and muzzles, and plastic vials and jars for dispensing medications. Laboratory supplies used in making diagnoses such as diagnostic kits, blood collecting tubes and needles, and x-ray films and developing solutions are taxable. Instruments and equipment purchased by a veterinarian or veterinary clinic for use in the business are also taxable. Items initially purchased tax-exempt for resale to customers (such as pet products and supplies) but then used in the business are subject to use tax and surtax, if applicable.

**Out-of-state purchases** – When taxable items or services are purchased through the Internet or a mail-order catalog company, or purchased in another state and then shipped into Florida, use tax and surtax may be due. Use tax and surtax are owed if sales tax was not paid or if the rate of sales tax paid to another state was less than Florida's rate. Some items commonly purchased from out-of-state retailers that are subject to use tax are: office supplies, business furniture, computers, computer hardware and software.

## Exemptions

Sales tax does not apply to the following:

- Professional services provided by veterinarians or veterinary clinics.
- Boarding charges for animals.
- Medicines dispensed or purchased by veterinarians and veterinary clinics for the treatment of, or consumption by, a patient.
- "Prescription diets" dispensed for prevention or treatment of a diagnosed health disorder by, or on the prescription of, a licensed veterinarian.
- Feed for poultry and livestock, including racehorses and fish raised for commercial purposes.
- Purchases by a veterinarian of antiseptics, absorbent cotton, gauze for bandages, lotions, vitamins, and worm remedies.
- Powders and sprays designed to prevent or treat flea and tick infestations in dogs or cats, if they are ordered and dispensed by a veterinarian.
- Germicides used directly upon bodies of animals as a disinfectant.
- X-ray opaques (also known as opaque drugs and radiopaque) such as opaque dyes and barium sulfate, when used in connection with medical x-rays.

The sale of food for guide dogs is exempt. However, the purchaser must give a *Consumer's Certificate of Exemption for the Blind* (Form DR-152) issued by the Department of Revenue to qualify.

## Registering to Collect Sales Tax

Before veterinarians or veterinary clinics can engage in or conduct business in Florida, they must contact us to determine whether sales tax registration is required. If your business must register, you can do so on our Internet site. The site will guide you through an application interview that will help you determine your tax obligations. If you do not have Internet access, you can complete a paper *Application to Collect and/or Report Tax in Florida* (Form DR-1). Failure or refusal to register for sales and use tax may subject the veterinarian or veterinary clinic to a \$100 registration fee for each place of business.

**Annual Resale Certificate** – As a registered dealer, you will be given an *Annual Resale Certificate* (Form DR-13). Give a signed copy of the current form to the selling dealer when making tax-exempt purchases for resale. Registered dealers must not use a resale certificate when making taxable purchases or rentals for their own use.

## When Tax is Due

Returns and payments are due on the 1st and late after the 20th day of the month after each collection period. For example, if a sale takes place any time during the month, tax is not due until the 1st of the next month.

Returns and payments postmarked after the 20th are late. However, if the 20th falls on a Saturday, Sunday, or federal or state holiday, returns and payments will not be late if they are postmarked on the first business day after the 20th.

If you make tax payments using electronic funds transfer (EFT), you must transmit the funds before 5:00 p.m., ET, on the banking business day before the 20th.

## **New Applicants**

When filing an initial application for licensure as a veterinarian or veterinary clinic, submit the following information to the Department of Business and Professional Regulation:

- Your current sales tax registration number, or
- A signed statement that you have applied for a sales tax registration number.

## **For Information and Forms**

Information and forms are available on our Internet site at:

**[www.myflorida.com/dor](http://www.myflorida.com/dor)**

To speak with a Department of Revenue representative, call Taxpayer Services, Monday through Friday, 8 a.m. to 7 p.m., ET, at 800-352-3671.

Persons with hearing or speech impairments may call our TDD at 800-367-8331 or 850-922-1115.

For a written reply to tax questions, write:

Taxpayer Services  
Florida Department of Revenue  
5050 W Tennessee St Bldg L  
Tallahassee FL 32399-0112

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